1992-93 BUDGET ADDRESS

92-05765/

PRESENTED BY
THE HONOURABLE T. PENIKETT
MINISTER OF FINANCE
AT THE SECOND SESSION
OF THE TWENTY-SEVENTH LEGISLATIVE ASSEMBLY

WHITEHORSE, YUKON
NOVEMBER, 1991

Yukon
Finance

BUDGET SPEECH

1992-93

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INVESTING IN THE YUKON'S FUTURE

Mr. Speaker and Honourable Members, I am pleased today to present the 1992–93 Capital and Operation and Maintenance Budget.

BUILDING OUR COMMUNITY

At the beginning of our new mandate in 1989, our government made commitments to building a sustainable economy, promoting healthy communities, and settling aboriginal land claims. Despite a national recession, federal restraint, and constantly changing political circumstances, we kept our promises. The budget I propose today will further the goals we share with our citizens and represents a major investment in the Yukon's future.

Throughout the Yukon 2000 consultations that molded the Yukon Economic Strategy, the Yukon Training Strategy, and the Yukon Conservation Strategy, our citizens argued forcefully for a sustainable economy. As do Canadians everywhere, they wanted more jobs and better services but they also demanded action to protect the unique beauties of the Yukon environment. During our time in office we helped create over 3,000 jobs in the private and public sectors and improved many social services. We also responded to environmental problems such as litter, special wastes, and the need for clean water.

The Community Development Fund enabled every town and village to finance local projects. Since 1988, through the Business Loans program, we assisted 67 businesses to create 244 new jobs. We developed 645 hectares of serviced land or 574 building lots in the same period. The Yukon Housing Corporation built 118 housing units and supported citizens in the construction or acquisition of 70 others. Recently this government provided $8.7 million for various sewer, water, and solid waste projects in communities.

Our ideal of healthy communities inspired new laws such as the Education Act, the Child Care Act, and the Health Act. We built new schools, provided additional teachers and new programs for young Yukoners everywhere. Additional funds, higher standards, and new spaces improved the quality of child care services in the territory. Community control, client-sensitive services, and active health promotion became possible for the first time with the new legislation adopted in this House.

Final agreements on land claims and self government with Yukon First Nations are in sight and departments are working toward implementing these agreements.

Much has been done these past three years to build on the strengths of our communities. The 1992-93 budget will continue this strategy of investing in Yukon people and our communities.

CONSULTATION

This fall, Finance department officials, my staff, and I met with many citizens to review the government's financial options for the coming fiscal year. At these meetings, we presented summary information about formula financing, program demands, and our record of balanced budgets and accumulated surpluses. We then invited questions and suggestions. Yukoners generally appreciated the importance of formula financing but were concerned about the cuts in our grant from Ottawa. Many felt our tax burden could not be increased – as the Federal government has proposed – without great harm to our economy and to our standard of living.

People everywhere had suggestions for program improvements in education, environment, health, housing, social services, child care, and culture but they were also sensitive to the limits on our financial resources. Some people suggested cuts in schools, staff accommodation, roads, or administration. Others confirmed the need to distinguish clearly between investment and expenditure when analyzing government spending and most were pleased to learn that the Yukon devotes a far larger portion of its budget to capital projects than does any other Canadian jurisdiction.

Transfer of responsibility for the Alaska Highway was mentioned numerous times during the recent budget consultation process and I am pleased to be able to say now that detailed negotiations are underway. Devolution of responsibility for the highway will let the Yukon Government develop an economical and efficient transportation system for the territory.

Everywhere, citizens recognized that money invested in children produced long term benefits for society. Most people recognized, also, the necessity of funding programs such as internal audits or transient social assistance but agreed that good schools, quality child care, and family support represent a different kind of commitment. Programs – like schools and child care – constitute an investment rather than an expenditure. They amount to an act of faith in our future. Many citizens spoke of the need to clarify our priorities and place such investments at the top of the list.

When discussing how to finance programs and initiatives, some people proposed new taxes on fossil fuels, disposable diapers, and high incomes. Others promoted higher user fees. But most argued that, with formula cuts and the pain of the Goods and Services Tax, no additional burden could be absorbed by Yukon families. Several citizens offered proposals for internal economies as a way to pay for necessary program enhancements.

We found the consultation process useful and, in one way or another, many of the ideas are incorporated in the budget.

ECONOMIC OUTLOOK

I would like to say a few words about the economic climate for 1992. Nationally, the recession which began in the spring of 1990 may be coming to an end. Declining interest rates and an increase in consumer spending helped stimulate the economy toward recovery. However, a slow recovery is expected. Restrictive fiscal and monetary policies, the high value of the Canadian dollar, and a sluggish U.S. economy will inhibit economic growth in Canada. On the positive side, forecasters anticipate the national rate of inflation will drop to below 4 percent next year.

In the Yukon, we expect – on the strength of tourism, a stable performance in the mining sector, and higher levels of consumer spending - further economic growth. Our rate of inflation is forecast to drop sharply from a level of nearly 7 percent this year to about 4 percent next year. The level of employment is predicted to increase faster than growth of the labour force resulting in a decrease in the unemployment rate to about 10 percent. This means seven years of declining unemployment in the Yukon.

In the mining industry, zinc prices are expected to firm-up as consumer demand for automobiles increases but we remain concerned about the effect of an artificially high Canadian dollar. Several mining properties in the Yukon – the copper deposit at Williams Creek and the gold deposits at Brewery Creek and Mount Skukum – show significant promise for the near future. Construction activity should continue at a strong pace next year, as evidenced by numerous projects now underway.

Overall, another year of growth and prosperity is expected.

THE BUDGET

The budget I bring to the House today represents new investments – in the economy, in the environment, in our children, in all Yukon citizens. It projects increased expenditures for the 1992–93 fiscal year of $15.9 million over the current fiscal year forecast.

The Capital budget is $103 million. Among the significant capital projects are: a new high school in Watson Lake; new elementary schools in Whitehorse; non-profit housing in Carmacks, Haines Junction, Mayo, and Watson Lake; an extended care facility in Whitehorse; a correctional facility; reconstruction of the Klondike Highway near Flat Creek outside of Dawson, and the Campbell Highway; sewage treatment facilities in Mayo, Ross River, and Old Crow; and airstrips in Beaver Creek, Haines Junction, and Teslin.

In addition to capital projects, we will provide money for four endowment funds - the Arts Acquisition Endowment Fund, the Historic Resources Trust Fund, the Environment Fund, and the Health Investment Fund - to meet the future needs of our population.

The Operating budget for 1992-93 amounts to $315 million. Included in this sum is an increase of well over $1 million in funding for municipalities and non-profit organizations.

The Operations budget also reflects $23 million for the new Collective Agreements. Fifteen million of this is provided for in the 1991-92 Supplementary Estimates I am tabling today, and - combined with our normal revotes and the acceleration of several capital projects from 1992-93 - accounts for the bulk of the funds sought in the Supplementary.

As well as the items just mentioned, approximately 19 million new dollars for economic, environmental, and social programs are included in the budget.

I will now take a few moments to describe some of the new programs and enhancements included in the Supplementary and Main Estimates.

ECONOMIC STRATEGY INVESTMENTS

A healthy community rests on a sound economic base. We are committing 8.9 million new dollars for economic initiatives, of which $7 million is provided for in the Supplementary.

The most significant items in the Supplementary Estimates are the Visitor Reception Centres, the Whitehorse waterfront development, and the Economic Development Agreement.

As I mentioned earlier, this government has put a lot of money into the community and business development funds because they are important investment tools. That work will continue with 400,000 new dollars for the Community Development Fund and another 700,000 new dollars for the Business Development Fund.

Negotiations continue on the transfer of responsibility for hydrocarbon resources to the territory. A total of $300,000 is earmarked for the Department of Economic Development: Mines and Small Business to provide for further negotiations and for the anticipated finalization of a Northern Accord.

The Department will also complete a comprehensive energy strategy encompassing oil and gas resources, electricity, non-hydro carbon resources, and refined fuels. One hundred twenty-five thousand dollars is allocated for this initiative.

As well, the Department gets $100,000 for an energy demonstration project promoting cost effective local energy sources in order to reduce our dependence on outside sources for our energy needs.

In the coming year the Department of Tourism will, in addition to its support of the Alaska Highway commemoration, begin a Native Tourism program supporting development of native products and greater aboriginal participation in tourism. Fifty thousand dollars is allocated for 1992-93.

The Visitor Attraction Passports program is designed to encourage visitors to stay in the territory longer and enjoy our museums, historic sites, and other attractions. Tourism will receive $150,000 for this program over the next several years.

An additional $246,000 goes to the Department of Tourism for the new Arts Branch. This branch will develop, over the next few months, a comprehensive program for support of the arts in the territory. During consultations with the arts community, the need to consolidate programs delivered by four departments became clear. Establishing the branch meets the commitment we made in the Yukon Economic Strategy.

An Arts Acquisition Endowment Fund will receive one percent of the capital expenditure on specified public buildings. This fund will purchase works - from Yukon artists - to display in the foyers and public areas of schools and offices. Another endowment - the Historic Resources Trust Fund - is for the preservation of the Yukon's historic resources. It will get $250,000 a year for four years.

In 1992-93, the Yukon Council on the Economy and the Environment will receive an additional $70,000 to assist in the Council's work monitoring the Yukon's economic and conservation strategies.

CONSERVATION STRATEGY INVESTMENTS

This government is committed to creating a sustainable economy, one that will encourage economic development, but, at the same time protect our environment for future generations. We will invest 1.5 million new dollars in conservation strategy initiatives. One half of this amount is included in the Supplementary.

The Saving Energy Action Loan program, for which there is great demand, receives an additional $360,000 in the Supplementary as well as an increase in funding for 1992-93.

In 1992, the Department of Renewable Resources will create a Youth Conservation Corps to work on conservation-related projects. A total of $165,000 is set aside to support 25 summer youth positions in the communities. The program increases public awareness for the environment, helps establish community-based conservation projects, and provides educational and career-opportunities for our young people.

Passage of the Environment Act marked the beginning of a new era in environmental awareness and action in the Yukon. The Environment Fund is provided $500,000 for each of the next four years for sustainable development and cooperative environmental protection projects.

INVESTING IN HEALTHY COMMUNITIES

Including the Supplementary and Main Estimates, approximately 9 million new operating dollars will be used to promote healthy communities in the Yukon. Of this total, $6.3 million is provided for in the Supplementary.

This past year, the Department of Health and Social Services reviewed its foster care programs. On the basis of this review, we introduced significant increases to the foster care rates and, in 1992–93, the Department will start new programs designed to enhance our foster care system.

A new foster care residential treatment program provides for the establishment of a residential treatment facility, satellite therapeutic foster homes, in-territory treatment for special needs foster children, and training for therapeutic foster parents. Funding for this program totals $773,000. As well, base rate funding increases for foster care total $299,000 this year and next.

With these changes, we are better able to provide comprehensive foster care services within our community and to establish an integrated system of foster care.

Another $1.7 million goes to child care initiatives such as increasing subsidy rates for parents, increasing the income ceiling for subsidy, and changing the formula funding arrangement.

We will also, through the Department of Health and Social Services, increase funding for community organizations by $600,000. During the budget consultation, some citizens expressed concern that certain community organizations received inadequate funding. This increase will, I hope, alleviate many of those concerns.

Last year, a new Health Act was passed by the Legislature. That act includes a Health Investment Fund for which 100,000 additional dollars is budgeted this year.

The government is committed to the reduction of family violence. To strengthen our efforts, the Department of Justice will receive an additional $75,000 for family violence prevention programs such as Assaultive Husbands, Sex Offenders, and Support for Victims. By preventing these crimes, we can create a safer social environment for all Yukoners.

With our growing population and with more people in school each year, demands for additional schools and educational programs continue. Often, during the budget consultation, people told us to maintain current funding levels for education.

Over the past six years, we spent $87 million on our schools, including construction of 3 new schools and the new Ayamdigut campus of Yukon College. In the coming year, we will address the most urgent needs by allocating $12 million for new construction, expansion, and renovation of educational facilities throughout the territory.

To ensure that special education needs are met, a further $207,000 is designated for a special education treatment centre to improve the assessment of these students.

The Department of Education will receive an additional $100,000 for adult literacy programs. With the help of the Literacy Council, Yukon College, the Council for Yukon Indians, and others, we will expand computer-assisted and community-based literacy training. By investing in these programs, we can ensure that the Yukon labour force is better skilled to meet the needs of private sector employers.

A further $500,000 is given to the Department to establish a new Bachelor of Social Work program, and to improve wilderness guide training and the rural wilderness program.

The budget allocates funds for completing land claims and self government agreements. In many ways, development of a sustainable economy and healthy communities depends upon a fair and equitable settlement for Yukon First Nations. We have achieved major progress on land claims and the money allocated to negotiations should enable band final agreements to be completed with all First Nations. A final settlement means fulfilment of our commitment to justice for aboriginal people in the Yukon.

CONCLUSION

During the budget consultation process, we heard suggestions about how and where – and why – we should be investing in the future of the Yukon. I am happy to say that many of the proposals had already been included in the 1992–93 budget. We look forward to continuing the consultation process in the future.

The Yukon government has - and will continue to have - an accumulated surplus. This budget projects an annual deficit but, as always, because most departments under spend, we expect to lapse money at the end of the year leaving our revenues and expenditures in balance.

Several internal economies were identified to help finance our new initiatives. For the coming year, outside travel, entertainment, and the use of policy consultants have been reduced by 25 percent.

There are no new taxes in this budget. The proposed 1992–93 budget continues to meet our commitments to a sustainable economy, healthy communities, and settlement of land claims. We continue to have an accumulated surplus sufficient to weather hard times.

This budget is, I believe, a sound investment in the Yukon's future.

CAPITAL

AND

OPERATION AND MAINTENANCE

SUPPLEMENTARY INFORMATION

1992-93

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FINANCIAL SUMMARY

($000'S)	1992/93 ESTIMATE	1991/92 FORECAST	% CHANGE	1991/92 ESTIMATE
OPERATION AND MAINTENANCE				
Gross Expenditures	314,752	296,405	6%	271,548
Less: Recoveries	53,364	48,764	9%	44,586
Net O&M Expenditures	261,388	247,641	6%	226,962
CAPITAL				
Gross Expenditure	102,723	105,130	-2%	84,176
Less: Recoveries	43,415	35,093	24%	30,367
Net Capital Expenditures	59,308	70,037	-15%	53,809
LOAN INTEREST				
Gross Expenditures	1,184	1,019	16%	1,019
Less: Recoveries	1,651	1,015	63%	1,015
Net Loan Amortization	(467)	4	-100%	4
FINANCIAL POSITION SUMMARY				
Territorial Revenue	62,381	59,079	6%	60,110
Established Programs Financing	9,565	10,895	-12%	10,895
Transfer Payment from Canada	229,013	225,111	2%	224,125
Total Revenues	300,959	295,085	2%	295,130
Gross Budgetary Expenditures	418,659	402,554	4%	356,743
Less: Total Recoveries	98,430	84,872	16%	75,968
Less: Net Expenditures	320,229	317,682	1%	280,775
SURPLUS (DEFICIT)	(19,270)	(22,597)	15%	14,355

TOTAL EXPENDITURE SUMMARY BY DEPARTMENT

($000'S)	1992/93 ESTIMATE		1991/92 FORECAST		1991/92 ESTIMATE	
	$	%	$	%	$	%
Yukon Legislative Assembly	2,430	0.6	2,310	0.6	2,196	0.6
Executive Council Office	9,251	2.2	8,214	2.0	7,159	2.0
Community and Transportation Services*	99,338	23.8	99,195	24.7	90,312	25.4
Economic Development: Mines and Small Business	21,293	5.1	18,135	4.5	13,959	3.9
Education	82,702	19.8	87,396	21.8	69,645	19.6
Finance	5,074	1.2	4,795	1.2	4,467	1.3
Government Services	31,486	7.5	29,716	7.4	27,344	7.7
Health and Social Services*	73,631	17.6	64,448	16.1	59,035	16.6
Justice	28,605	6.9	26,298	6.5	22,402	6.3
Public Service Commission	8,571	2.1	8,027	2.0	7,816	2.2
Renewable Resources*	14,502	3.5	13,850	3.4	14,358	4.0
Tourism*	7,844	1.9	10,591	2.6	8,831	2.5
Women's Directorate	416	0.1	462	0.1	335	0.1
Yukon Housing Corporation	32,332	7.7	28,098	7.0	27,865	7.8
Yukon Liquor Corporation	one dollar	--	one dollar	--	one dollar	--
Yukon Development Corporation	one dollar	--	one dollar	--	one dollar	--
TOTAL EXPENDITURES	417,475	100.0	401,535	100.0	355,724	100.0

* 1991-92 figures are restated to be consistent with 1992-93 presentation.

OPERATION & MAINTENANCE EXPENDITURE
SUMMARY BY DEPARTMENT

($000'S)	1992/93 ESTIMATE		1991/92 FORECAST		1991/92 ESTIMATE	
	$	%	$	%	$	%
Yukon Legislative Assembly	2,430	0.8	2,310	0.8	2,196	0.8
Executive Council Office	9,213	2.9	8,164	2.8	7,124	2.6
Community and Transportation Services*	66,860	21.2	63,609	21.5	62,001	22.8
Economic Development: Mines and Small Business	3,171	1.0	2,911	1.0	2,246	0.8
Education	68,318	21.7	66,343	22.4	57,594	21.2
Finance	5,074	1.6	4,795	1.6	4,467	1.6
Government Services	24,725	7.9	22,327	7.5	20,344	7.5
Health and Social Services*	66,825	21.2	62,583	21.1	56,727	20.9
Justice	27,416	8.7	25,884	8.7	22,132	8.2
Public Service Commission	8,571	2.7	8,027	2.7	7,816	2.9
Renewable Resources*	12,470	4.0	12,004	4.0	12,388	4.6
Tourism*	5,875	1.9	5,203	1.8	4,628	1.7
Women's Directorate	416	0.1	462	0.2	335	0.1
Yukon Housing Corporation	13,388	4.3	11,783	4.0	11,550	4.3
Yukon Liquor Corporation	one dollar	--	one dollar	--	one dollar	--
Yukon Development Corporation	one dollar	--	one dollar	--	one dollar	--
TOTAL EXPENDITURES	314,752	100.0	296,405	100.0	271,548	100.0

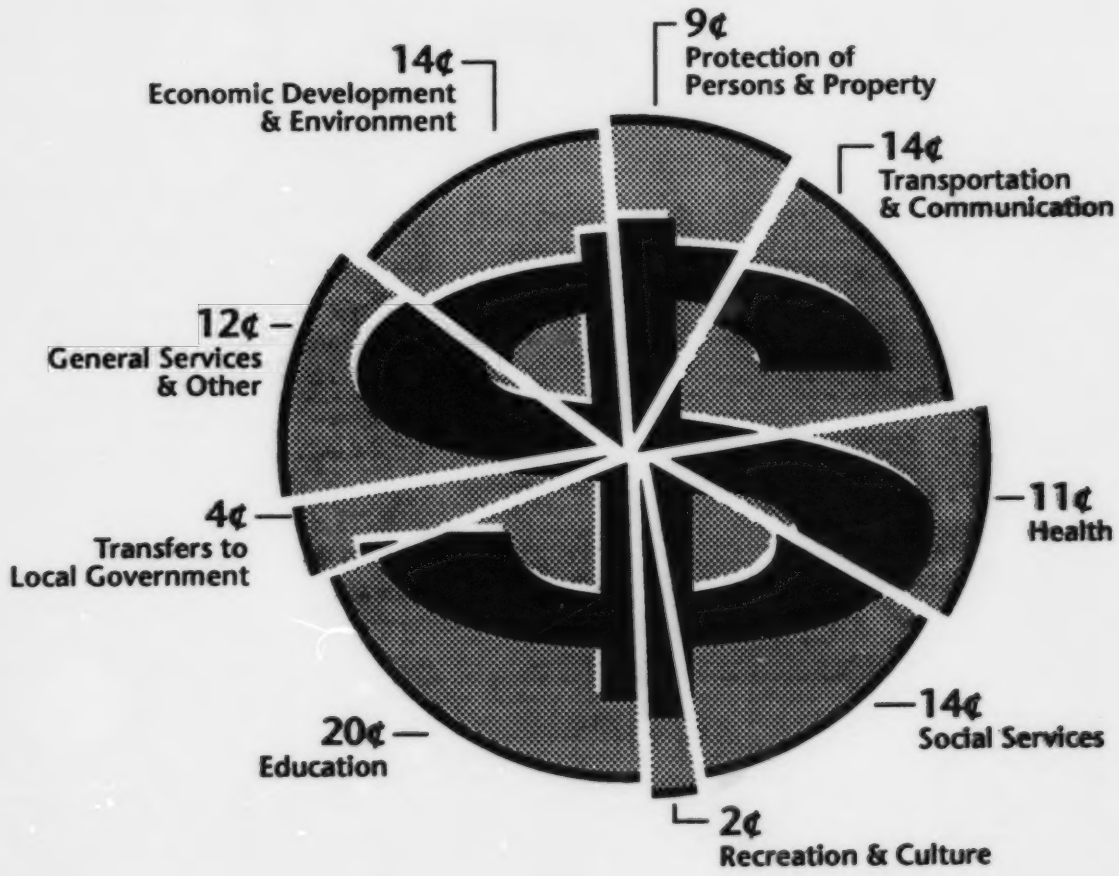
* 1991-92 figures are restated to be consistent with 1992-93 presentation.

CAPITAL EXPENDITURE
SUMMARY BY DEPARTMENT

($000'S)	1992/93 ESTIMATE		1991/92 FORECAST		1991/92 ESTIMATE	
	$	%	$	%	$	%
Yukon Legislative Assembly	0	0.0	0	0.0	0	0.0
Executive Council Office	38	0.0	50	0.0	35	0.0
Community and Transportation Services*	32,478	31.6	33,979	32.3	28,311	33.6
Economic Development: Mines and Small Business	18,122	17.6	15,224	14.5	11,713	13.9
Education	14,384	14.0	21,053	20.0	12,051	14.3
Finance	0	0.0	0	0.0	0	0.0
Government Services	6,761	6.6	7,389	7.0	7,000	8.3
Health and Social Services*	6,806	6.6	3,258	3.1	2,308	2.7
Justice	1,189	1.2	414	0.4	270	0.3
Public Service Commission	0	0.0	0	0.0	0	0.0
Renewable Resources	2,032	2.0	1,846	1.8	1,970	2.3
Tourism	1,969	1.9	5,602	5.3	4,203	5.0
Women's Directorate	0	0.0	0	0.0	0	0.0
Yukon Housing Corporation	18,944	18.4	16,315	15.5	16,315	19.4
Yukon Liquor Corporation	one dollar	--	one dollar	--	one dollar	--
Yukon Development Corporation	one dollar	--	one dollar	--	one dollar	--
TOTAL EXPENDITURES	102,723	100.0	105,130	100.0	84,176	100.0

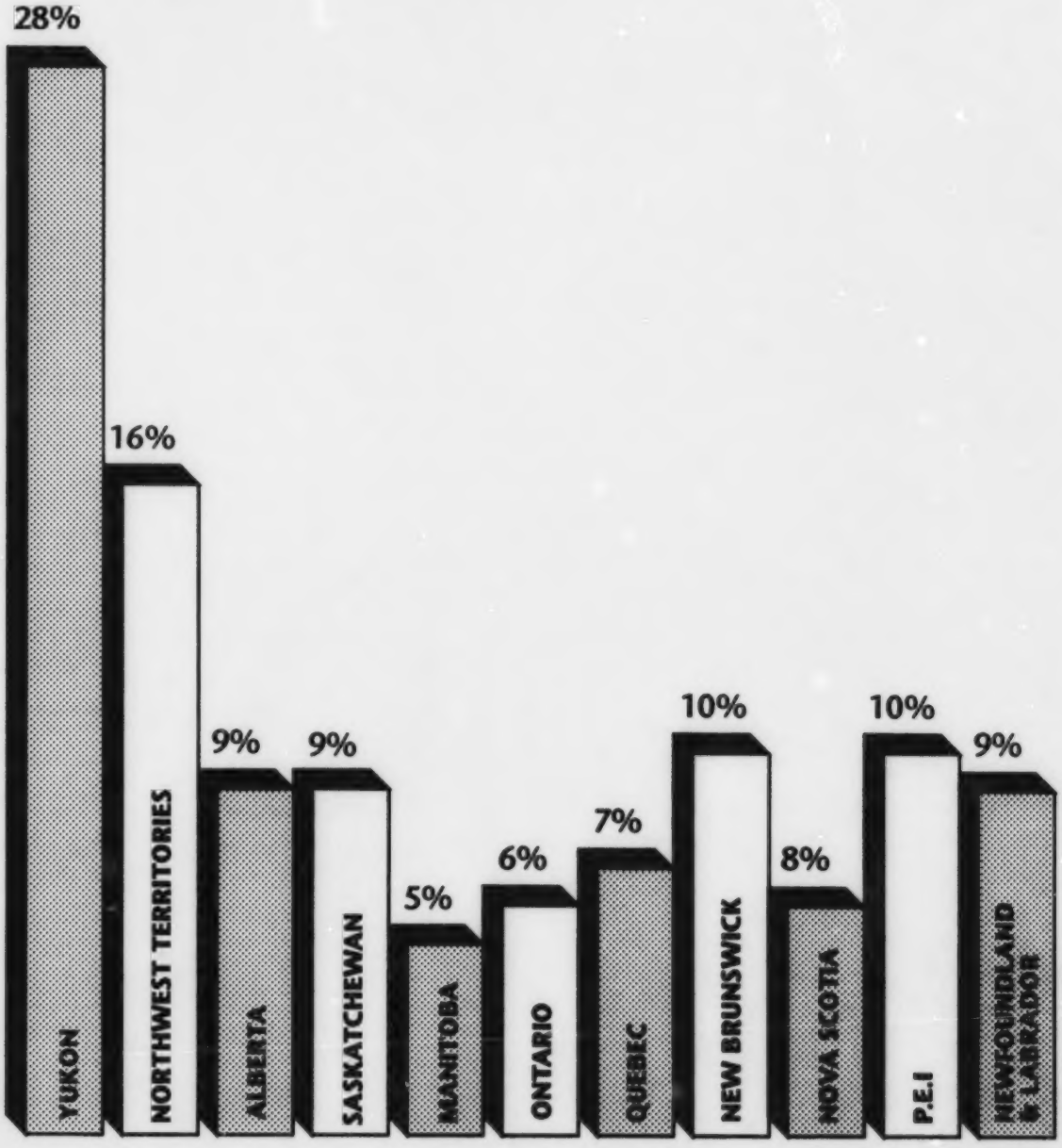
* 1991-92 figures are restated to be consistent with 1992-93 presentation.

Yukon Government Expenditures
1992-93



Note: Represents the proportion by category of each dollar of expenditure.

CAPITAL EXPENDITURES
As a Percentage of Total Spending
1989



Note: Combined provincial & local government spending
Source: Statistics Canada: Provincial Economic Accounts

EXPENDITURE DISTRIBUTION BY COMMUNITY

($000'S)	O & M	CAPITAL	TOTAL	%
BEAVER CREEK	517	208	725	0.2%
BURWASH LANDING	472	0	472	0.1%
CARCROSS	1,335	1,124	2,459	0.6%
CARMACKS	1,637	3,588	5,225	1.3%
DAWSON CITY	5,383	3,391	8,774	2.1%
DESTRUCTION BAY	61	38	99	0.0%
ELSA	22	0	22	0.0%
FARO	2,544	292	2,836	0.7%
HAINES JUNCTION	2,353	1,387	3,740	0.9%
KENO CITY	47	0	47	0.0%
MAYO	2,524	2,804	5,328	1.3%
OLD CROW	1,720	315	2,035	0.5%
PELLY CROSSING	796	153	949	0.2%
ROSS RIVER	1,859	916	2,775	0.7%
STEWART CROSSING	40	0	40	0.0%
SWIFT RIVER	0	0	0	0.0%
TESLIN	2,045	654	2,699	0.6%
UPPER LIARD	50	130	180	0.0%
WATSON LAKE	7,537	4,668	12,205	2.9%
WHITEHORSE	140,986	41,829	182,815	43.8%
TERRITORY WIDE *	132,501	41,226	173,727	41.6%
OUTSIDE YUKON	10,323	0	10,323	2.5%
TOTAL	314,752	102,723	417,475	100.0%

* Includes highway construction and all other expenditures not directly attributable to a community e.g. generalized government equipment purchases.

PERSON YEAR ESTABLISHMENT SUMMARY

DEPARTMENT/AGENCY	1992-93 ESTIMATE O & M	CAPITAL	TOTAL	%	1991-92 FORECAST TOTAL	%
Yukon Legislative Assembly	6.00	0.00	6.00	0.4%	6.0	0.4%
Executive Council Office	85.25	0.00	85.25	5.6%	85.2	5.7%
Community and Transportation Services	336.38	35.00	371.38	24.5%	372.9	24.9%
Economic Development: Mines and Small Business	33.50	22.50	56.00	3.7%	50.7	3.4%
Education	111.23	1.00	112.23	7.4%	109.2	7.3%
Finance	52.00	0.00	52.00	3.4%	52.0	3.5%
Government Services	206.52	18.00	224.52	14.8%	220.2	14.7%
Health and Social Services	236.70	1.00	237.70	15.7%	237.7	15.9%
Justice	165.79	0.00	165.79	10.9%	160.0	10.7%
Public Service Commission	48.50	0.00	48.50	3.2%	47.5	3.2%
Renewable Resources	110.00	3.00	113.00	7.5%	113.8	7.6%
Tourism	32.00	8.00	40.00	2.6%	39.0	2.6%
Women's Directorate	3.00	0.00	3.00	0.2%	3.0	0.2%
TOTAL PERSON YEARS	1426.87	88.50	1515.37	100.0	1497.2	100.0%

The percent columns represent the percent of total person years for the year accounted for by that particular department/agency. Percent figures may not add due to rounding.

BUDGETARY INCOME SUMMARY BY SOURCE

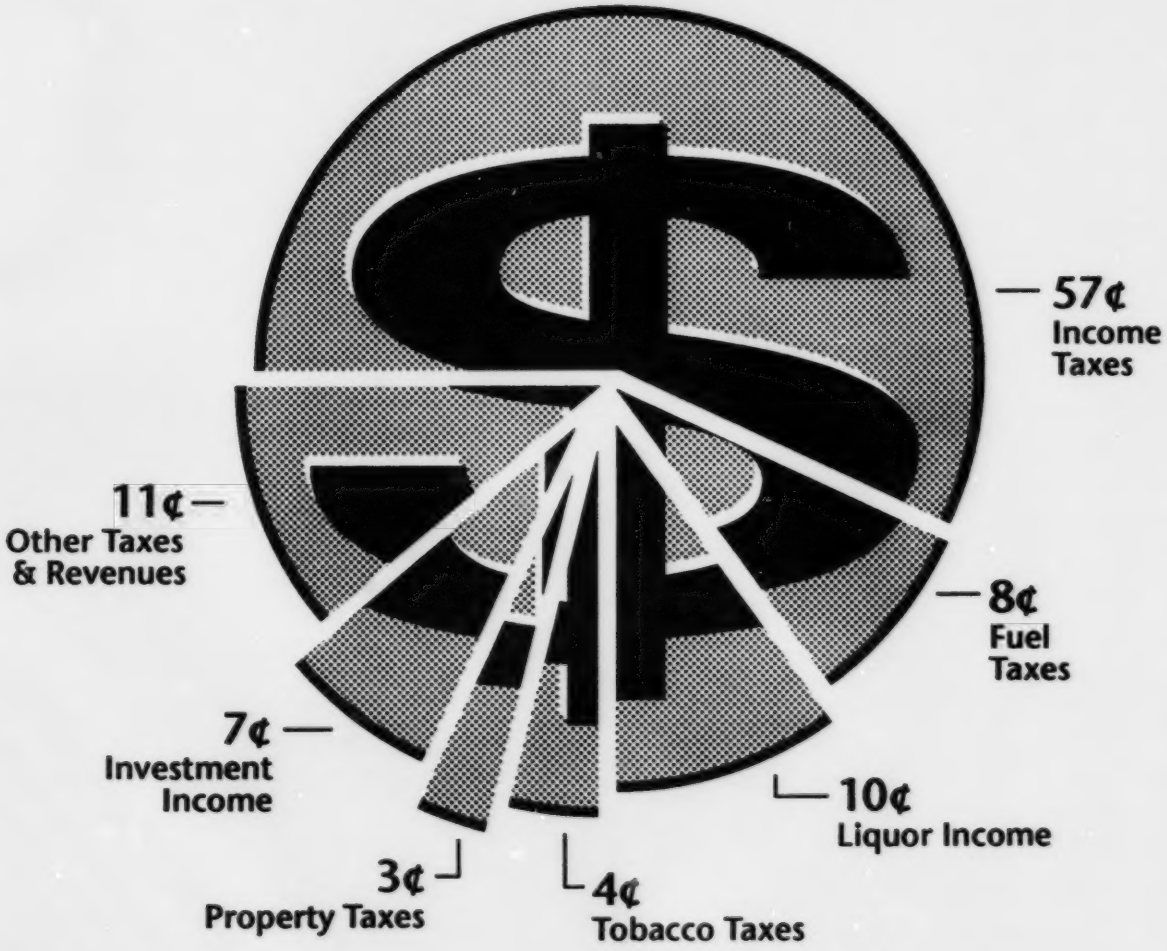
SOURCE ($000'S)	1992/93 ESTIMATE		1991/92 FORECAST		1991/92 ESTIMATE	
TAXATION	$	%	$	%	$	%
Personal Income Tax	29,386	7.4	27,977	7.4	28,055	7.6
Corporate Income Tax	6,006	1.5	5,564	1.5	3,758	1.0
School Taxes	0	0.0	0	0.0	2,476	0.7
General Property Taxes	1,691	0.4	1,066	0.3	1,066	0.3
Grants in Lieu of Property Taxes	353	0.1	183	0.0	558	0.2
Gasoline Tax	2,870	0.7	2,820	0.7	2,600	0.7
Diesel Tax	2,075	0.5	1,880	0.5	1,600	0.4
Liquor Taxes	2,064	0.5	2,004	0.5	2,141	0.6
Tobacco Tax	2,400	0.6	2,475	0.7	2,425	0.7
Insurance Tax	595	0.1	570	0.2	570	0.2
TOTAL TAXATION	47,440	11.9	44,539	11.7	45,249	12.2
OTHER REVENUE						
Yukon Liquor Corporation*	3,990	1.0	4,365	1.1	4,103	1.1
Public Utilities Income	600	0.2	600	0.2	900	0.2
Tax Transfer						
Fees and Licenses						
Motor Vehicle	2,447	0.6	2,409	0.6	2,409	0.6
Game and Campground*	841	0.2	841	0.2	841	0.2
Business and Professional	471	0.1	471	0.1	471	0.1
Other	1,268	0.3	851	0.2	983	0.3
Fines and Penalties	307	0.1	307	0.1	307	0.1
Investment Income						
Investments	4,695	1.2	4,385	1.2	4,530	1.2
Land Sale Agreements	290	0.1	290	0.1	290	0.1
Other Revenues	32	0.0	21	0.0	22	0.0
TOTAL OTHER OWN REVENUES	14,941	3.7	14,540	3.8	14,861	4.0
Established Programs Financing	9,565	2.4	10,895	2.9	10,895	2.9
Federal Transfer Payment	229,013	57.3	225,111	59.2	224,125	60.4
TOTAL OTHER REVENUES	253,519	63.5	250,546	65.9	249,881	67.3

BUDGETARY INCOME SUMMARY BY SOURCE (CONT'D)

SOURCE ($000'S)	1992/93 ESTIMATE		1991/92 FORECAST		1991/92 ESTIMATE	
RECOVERIES	$	%	$	%	$	%
Government of Canada						
Canada Assistance Plan	6,111	1.5	6,543	1.7	5,292	1.4
Native Social Services	4,237	1.1	2,310	0.6	1,810	0.5
Young Offenders	6,210	1.6	1,730	0.5	1,180	0.3
Vocational Rehabilitation of Disabled Persons	1,143	0.3	1,256	0.3	1,256	0.3
Bilingualism	985	0.2	1,128	0.6	1,128	0.3
French & Aboriginal Languages	2,970	0.7	2,099	0.1	1,992	0.5
Legal Aid	435	0.1	435	1.0	409	0.1
Economic Development	6,000	1.5	3,699	0.2	1,675	0.5
Inuvialuit Final Agreement	807	0.2	858	1.0	1,210	0.3
Other	2,615	0.7	3,858	0.0	2,216	0.6
	31,513	7.9	23916.0	6.0	18,168	4.9
Third Party Recoveries						
Alaska Highway	14,017	3.5	12,177	3.2	12,177	3.3
Native Health Care	4,917	1.2	3,790	1.0	3,090	0.8
Airports	2,883	0.7	1,884	0.5	2,184	0.6
Engineering Services	0	0.0	200	0.1	0	0.0
Occupational Training	211	0.1	224	0.1	224	0.1
Other	2,487	0.6	3,213	0.8	2,135	0.6
	24,515	6.1	21,488	5.7	19,810	5.3
Other Recoveries						
Yukon Housing Corporation	25,184	6.3	22,220	5.8	22,220	6.0
Land Development	8,730	2.2	7,896	2.1	7,105	1.9
Business Development Fund	3,200	0.8	3,048	0.8	2,700	0.7
Miscellaneous	5,288	1.3	6,304	1.7	5,965	1.6
TOTAL RECOVERIES	98,430	24.6	84,872	22.0	75,968	20.5
TOTAL BUDGETARY INCOME	399,389	100.0	379,957	99.7	371,098	100.0

* 1991-92 figures are restated to be consistent with 1992-93 presentation.

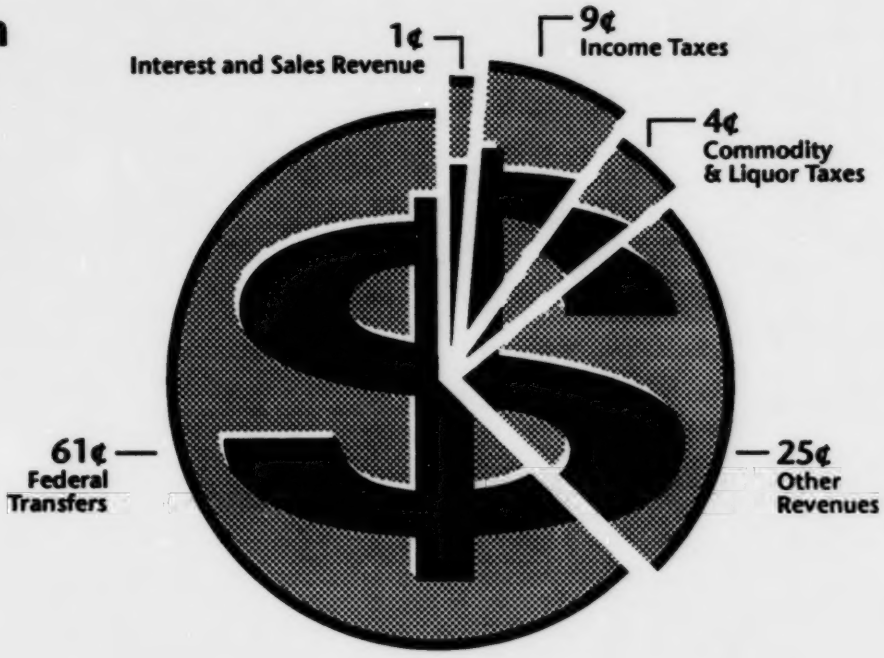
Locally Raised Yukon Revenue By Source 1992-93



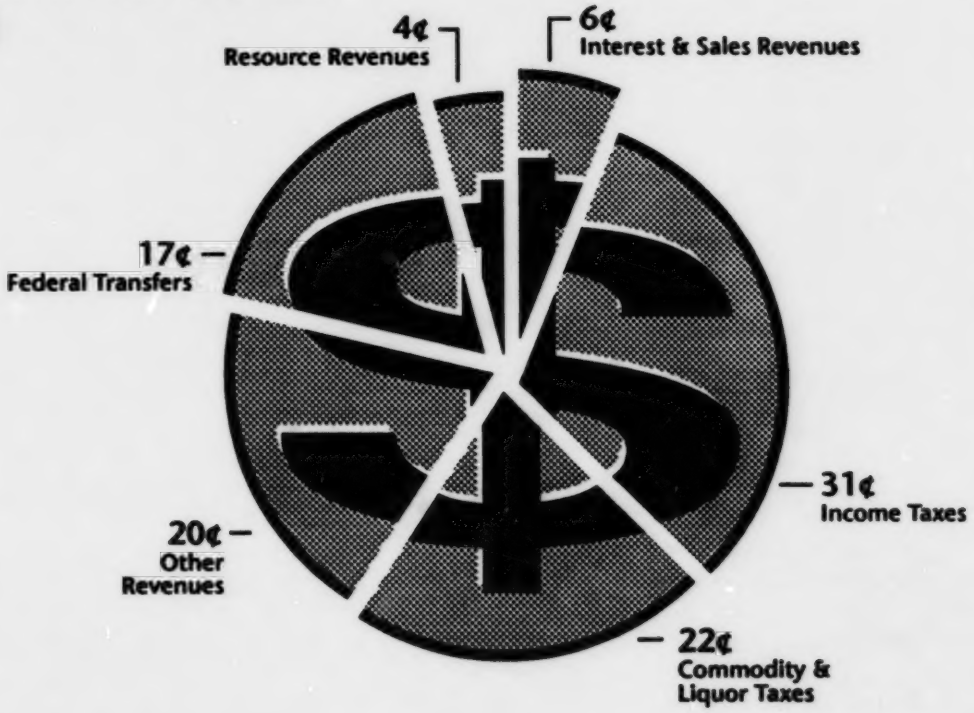
Note: Represents the proportion by source of each dollar of locally raised revenue.

REVENUES BY SOURCE

The Yukon 1992-93

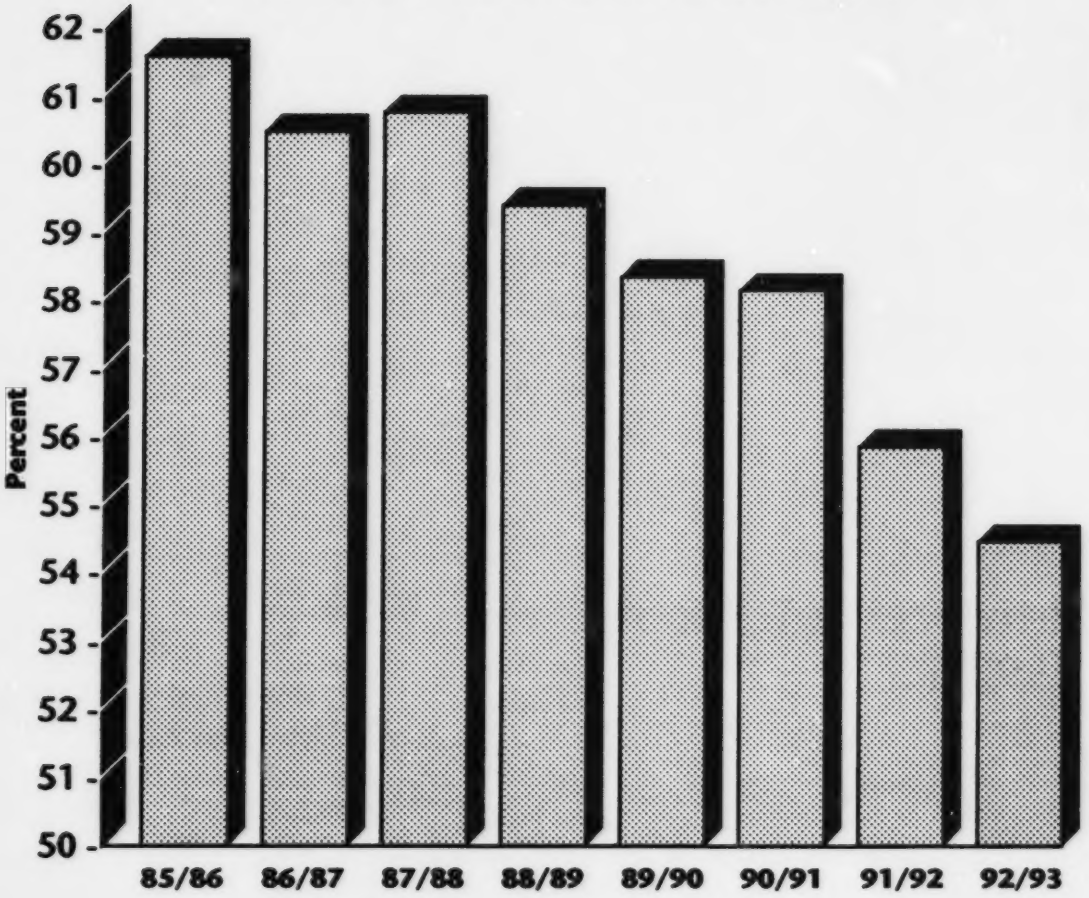


Provinces & Territories 1990-91



Note: Federal Transfer includes EPF, CAP, Equalization and Transfer Payment to Territory(s)
Represents revenue sources as a proportion of each dollar of government income

FEDERAL TRANSFER PAYMENT AS % OF BUDGETARY INCOME



BUDGETARY INCOME SUMMARY ($,000)

	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93
Federal Transfer Payment Adjusted for Devolved Programs	148,591	160,139	171,987	179,346	185,742	204,541	209,964	213,040
Total Budgetary Income*	241,024	264,773	282,694	302,277	318,777	352,203	373,415	392,178
Federal Transfer as % of Budgetary Income	61.6%	60.5%	60.8%	59.3%	58.3%	58.1%	56.2%	54.3%

** Includes gross revenues for Yukon Housing Corporation and Yukon Liquor Corporation*

EXPENDITURE RECOVERY BY DEPARTMENT ($000'S)

DEPARTMENT/AGENCY	O & M 1992-93 ESTIMATE	O & M 1991-92 FORECAST	CAPITAL 1992-93 ESTIMATE	CAPITAL 1991-92 FORECAST
Yukon Legislative Assembly	[illegible]	0	[illegible]	0
Executive Council Office	[illegible]	1,920	[illegible]	15
Community and Transportation Services	[illegible]	15,586	[illegible]	9,498
Economic Development: Mines and Small Business	[illegible]	0	[illegible]	7,987
Education	[illegible]	3,288	[illegible]	1,000
Finance	[illegible]	6	[illegible]	0
Government Services	[illegible]	403	[illegible]	580
Health and Social Services	[illegible]	17,407	[illegible]	550
Justice	[illegible]	1,733	[illegible]	3
Public Service Commission	[illegible]	56	[illegible]	0
Renewable Resources	[illegible]	1,355	[illegible]	211
Tourism	[illegible]	16	[illegible]	21
Women's Directorate	[illegible]	2	[illegible]	0
Yukon Housing Corporation	[illegible]	6,992	[illegible]	15,228
TOTAL RECOVERY	[illegible]	48,764	[illegible]	35,093

MAJOR TERRITORIAL AND PROVINCIAL TAX RATES

OCTOBER 1, 1991

	PERSONAL INCOME TAX		CORPORATE INCOME TAX				MOTOR FUEL TAXES (L)	
	BASIC RATE	HIGH INCOME SURCHARGE (B)	GENERAL RATE	SMALL BUSINESS	RETAIL SALES TAX	TOBACCO TAX (K)	UNLEADED GASOLINE	DIESEL FUEL
	%	%	%	%	%	c/25 cigs	c/litre	c/litre
Newfoundland	62.0	---	17.0	10.0	12.0	169.5	13.7	15.6
Prince Edward Island	59.0	10.0 (C)	15.0	10.0	10.0	225.0	11.7	11.7
New Brunswick	60.0	8.0 (D)	17.0	9.0	11.0	234.5	12.7	13.7
Nova Scotia	59.5	10.0 (E)	16.0	10.0	10.0	170.0	12.3	14.3
Quebec	--- (A)	---	6.9	3.75	8.0	144.0	14.0	12.6
Ontario	53.0	12.0 (F)	15.5	10.0	8.0	162.5	13.0	12.6
Manitoba	52.0	2.0 (G)	17.0	10.0	7.0	200.0	10.5	10.9
Saskatchewan	50.0	15.0 (H)	15.0	10.0	7.0	167.0	10.0	10.0
Alberta	46.5	8.0 (I)	15.5	6.0	0.0	175.0	9.0	9.0
British Columbia	51.5	10.0 (J)	15.0	9.0	6.0	235.0	8.8	9.2
Northwest Territories	44.0	---	12.0	5.0	0.0	230.0	9.2	7.8
Yukon	45.0	---	10.0	5.0	0.0	80.0	4.2	5.2

MAJOR TERRITORIAL AND PROVINCIAL TAX RATES

Notes to Table:

A) Quebec levies its own personal income tax.

B) Manitoba and Saskatchewan levy a flat tax of 2% and Alberta, 0.5%, on taxable income.

C) Prince Edward Island levies a surcharge of 10% of provincial tax in excess of $12,500.

D) New Brunswick levies a surcharge of 8% of provincial tax in excess of $13,500.

E) Nova Scotia levies a surcharge of 10% of provincial tax in excess of $10,000.

F) Ontario levies a surcharge of 12% of provincial tax in excess of $10,000.

G) Manitoba levies a 2% surcharge of 12% of provincial tax over $4,000.

H) Saskatchewan levies a surcharge of 12% of provincial tax over $4,000.

I) Alberta levies a surcharge of 8% of provincial tax over $3,500.

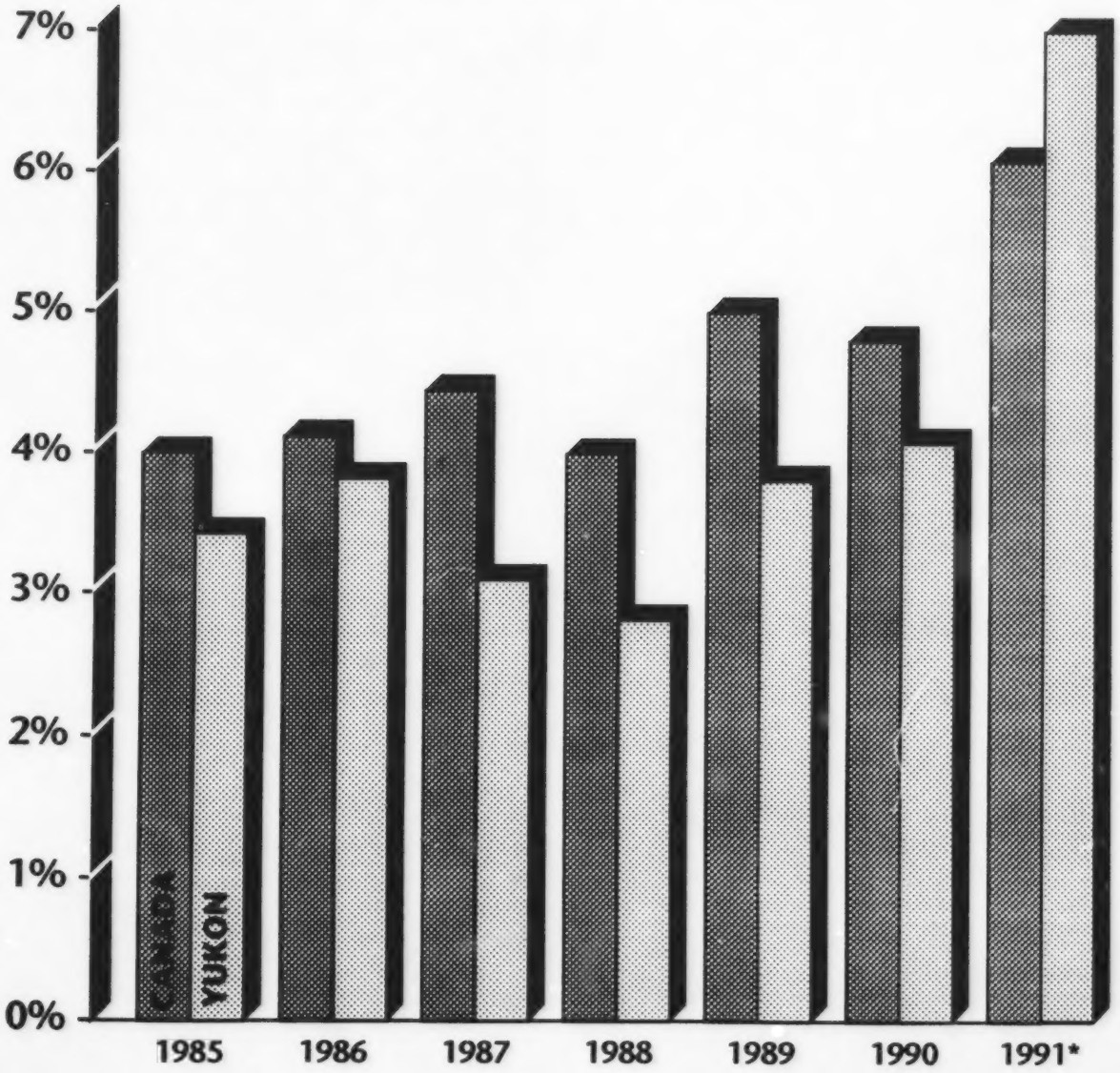
J) British Columbia levies a surcharge of 10% of provincial tax over $9,000. The surcharge is reduced by $50.00 for each dependent.

K) Manitoba, Ontario, New Brunswick and Newfoundland apply provincial retail sales tax of 7%, 8%, 11% and 12% respectively to sales of tobacco.

L) Northwest Territories, British Columbia, Newfoundland, Prince Edward Island, and Nova Scotia levy an AD VALOREM tax on gasoline and diesel fuel.

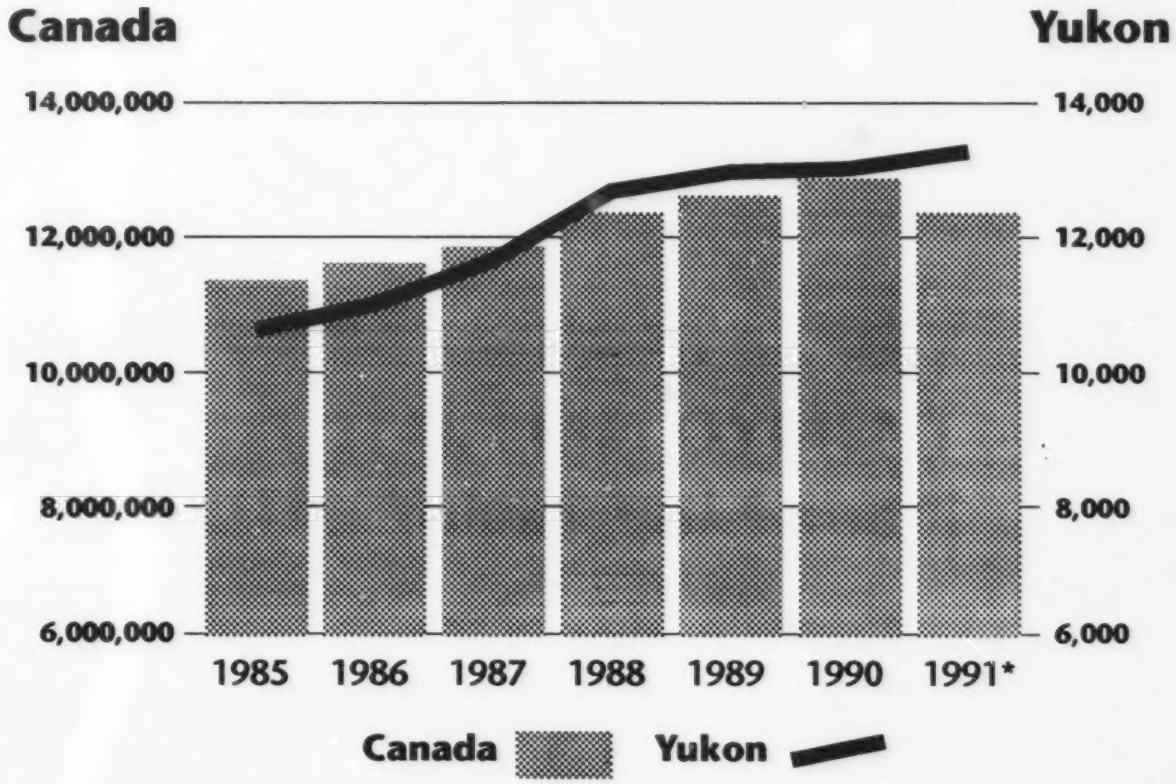
N.B. Rate changes may have occurred since the time of the survey. To determine current rates, reference should be made to each jurisdiction's Department of Finance.

% CHANGE IN CONSUMER PRICE INDEX
The Yukon & Canada



*January to September Period
Source: Statistics Canada

TOTAL EMPLOYMENT
The Yukon and Canada



**January to June Period*
Source: Statistics Canada and Yukon Bureau of Statistics

Gross Domestic Product (G.D.P.) and Wages
The Yukon, 1980 to 1990
(millions of dollars)

Source: Statistics Canada

MAIN ESTIMATES

HISTORICAL COMPARISON

($000'S)

	O & M	CAPITAL	TOTAL
[illegible]	[illegible]	[illegible]	[illegible]
1991/92	262,626	93,061	355,687
1990/91	248,546	93,935	342,481
1989/90	225,658	103,724	329,382
1988/89	201,806	100,474	302,280
1987/88	176,749	114,302	291,051
1986/87	171,065	80,935	252,000
1985/86	160,141	48,207	208,348
1984/85	148,214	25,959	174,173
1983/84	130,379	24,412	154,791
1982/83	116,508	37,438	153,946

Note: These figures reflect the voted expenditures as per the estimates for the relevant year and have not been re-stated for purposes of comparison.